

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Foreign Service Terms and Conditions - Leave Salary & Pensionary Contribution  
– Amendment to G.O. Ms. No. 160, Fin. (FR.II) Dept., dt. 7-5-2010 - Orders issued.

FINANCE (FR.II) DEPARTMENT

G.O.Ms.No. 302

Dated:28 -11-2012

Read the following:-

1. G.O.Ms.No.10, Finance (FR-II) Department,dt:22.01.1993
2. G.O. Ms. No. 160, Finance (FR.II) Department, dt. 7-5-210.

\* \* \*

**O R D E R:**

In the G.O. 2<sup>nd</sup> read above, on the recommendations of the 9<sup>th</sup> PRC certain orders were given regarding the payment of Leave salary and Pension contribution which is as follows:

Existing Para 2 (ix) to be deleted	Revised Para 2 (ix) to be inserted.
<p>(ix) Leave salary and Pension Contribution;</p> <p>The foreign employer shall pay to Government Leave Salary and Pension contribution at the following rates:</p> <p><u>(1) Rate of Leave salary contribution:</u></p> <p>11% of the pay drawn in Foreign service, if governed by Leave Rules in Fundamental Rules or Hyderabad Leave Rules, 1357 Fasli (1947)</p> <p>Or</p> <p>11% of pay drawn in Foreign Service, if governed by A.P. leave rules, 1933 or Hyderabad Revised Leave rules, 1952</p> <p><u>(2) Rate of Pension contribution:</u></p> <p>% of the maximum monthly Pay of the grade held by the Govt. servant in government service.</p> <p>Note: the appropriate rate applicable according to the Table of the rates in Fundamental Rules 116 which are based on length of Service should be specified.</p> <p>The above rates are only provisional subject to revision by the Accountant General/Pay and Accounts Officer, Hyderabad, as the case may be. The Foreign employer should remit to the Accountant General, Andhra Pradesh, Hyderabad, the amounts of the above contributions every month by way of demand drafts, the necessary charges</p>	<p>(ix) Leave Salary and Pension contribution.</p> <p>(a) While accepting the proposal of the deputation, the competent authority should include in the order of deputation a specific clause regarding the recovery of Leave Salary and Pension contribution and shall mention the exceptional circumstances under which the Government feels that recovery of Leave salary and Pension Contribution is warranted. If specific clause is not mentioned in the deputation order, it would be presumed that such a recovery is waived.</p> <p>(b) Verification regarding recovery of Pension contribution shall be waived in respect of all pension cases presently under consideration and also the future cases, if the officers worked on deputation in the establishments such as Public sector Undertakings which are wholly owned or controlled by State Government or to any State government company where the State Government has a major share, or to any Local Body or University or to any Aided Institution which is under the control of the state Government, even though their original deputation orders stipulated recovery of Leave Salary and Pension contribution.</p> <p>(c) even in respect of State Government Companies, where there is no Grant in aid, since the Government has a major share, it should be treated as an extension of Government service and</p>

for which should be borne by the Foreign employer.	contribution shall be waived. In respect of deputation of officers from one grant-in-aid institution to another grant-in-aid institution, the leave salary and Pensionary contributions shall also be waived, as in the final analysis, the expenditure is met by the Govt. In cases where officers from grant-in-aid institutions are deputed to work in govt. or in Quasi Govt. organizations these contributions shall be waived on the same analogy.
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2. While issuing the said orders the entire para 2 (ix) was deleted by incorporation of the recommendations of the PRC 2009, because of which the quantum of the amount payable by the foreign employer as Leave Salary and Pension Contribution was also deleted. Consequently the rates at which Leave Salary and Pension Contribution are to be paid, in cases where they are not exempted, are not provided for in the said orders. Further, as per the orders in the said G.O., if a clause is not mentioned in the orders of deputation regarding Leave Salary & Pension Contribution to be paid by the borrower, the same is not to be recovered from the borrowing institution/Department. Many lending departments being unaware of the above clause and G.O. are still following only G.O. Ms. No. 10, Finance, dt. 22-1-1993, and not mentioning the clause regarding recovery of Leave Salary and Pension Contribution in the deputation orders, even where the two components are to be paid. Consequently, by default, Government is losing the two contributions.

3. In view of the above position, and after careful examination of the issue, it is decided by the government to issue an amendment to G.O.Ms. No. 160, Finance (FR.II) Dept., dated 7-5-2010, as follows:

AMENDMENT

(A) In the table given under para 5 of the said G.O. in place of Revised Para 2 (ix) the following is to be replaced.

Existing para 2 (ix) as per G.O. Ms. No. 160, Fin. (FR.II) Dept., dt. 7-5-2010	Newly inserted para 2 (ix)
<p>(ix) Leave Salary and Pension contribution.</p> <p>(a) While accepting the proposal of the deputation, the competent authority should include in the order of deputation a specific clause regarding the recovery of Leave Salary and Pension contribution and shall mention the exceptional circumstances under which the Government feels that recovery of Leave salary and Pension Contribution is warranted. If specific</p>	<p>(ix) Leave Salary and Pension contribution:</p> <p>(a) While accepting the proposal of the deputation, the competent authority should include in the order of deputation a specific clause regarding the waiver of the recovery of Leave Salary and Pension contribution and shall mention the exceptional circumstances under which the competent authority feels that the waiver of recovery of Leave Salary and</p>

<p>clause is not mentioned in the deputation order, it would be presumed that such a recovery is waived.</p> <p>(b) Verification regarding recovery of Pension contribution shall be waived in respect of all pension cases presently under consideration and also the future cases, if the officers worked on deputation in the establishments such as Public sector Undertakings which are wholly owned or controlled by State Government or to any State government company where the State Government has a major share, or to any Local Body or University or to any Aided Institution which is under the control of the state Government, even though their original deputation orders stipulated recovery of Leave Salary and Pension contribution.</p> <p>© even in respect of State Government Companies, where there is no Grant in aid, since the Government has a major share, it should be treated as an extension of Government service and contribution shall be waived. In respect of deputation of officers from one grant-in-aid institution to another grant-in-aid institution, the leave salary and Pensionary contributions shall also be waived, as in the final analysis, the expenditure is met by the Govt. In cases where officers from grant-in-aid institutions are deputed to work in govt. or in Quasi Govt. organizations these contributions shall be waived on the same analogy.</p>	<p>Pension contribution is warranted. If specific clause relating to waiver of Leave salary and Pension contribution is not mentioned in the deputation order, then such recovery is applicable as per the rates mentioned in FR. 116.</p> <p>(b) When the borrowing institutions are of Central Govt./other State Govts./or the State Govt. Institutions in A.P. which receive funds from other sources such as world Bank/Central Govt. and the other institutions whose source of income is from other than Govt. of A.P./ and other institutions of A.P., like Universities/Local Bodies etc., who receive funds from Govt. of A.P. to some extent only and receive funds from other sources for the remaining extent, then such institutions shall pay Leave salary and pension contribution for borrowing Government servants. In other words Institutions which receive 100% of funds from Govt. of A.P. only are eligible for exemption of Leave salary and Pension contribution mentioned in G.O. Ms. No. 160, Fin. (FR.II) Dept., dt. 7-5-2010.</p> <p>© “In every case where the recovery of Leave salary and Pension Contribution is necessary the same shall be effected at the following rates.</p> <p><u>1) Leave salary Contribution:</u></p> <p>11% of the pay drawn in Foreign Service</p> <p><u>2) Rate of Pension contribution:</u></p> <p>% of the maximum monthly Pay of the post held by the Govt. Servant in Government Service, at the time of proceeding on Foreign Service.</p> <p>Note: 1. The appropriate rate applicable according to the table of the rates under Fundamental Rule 116 which are based on length of service should be specified.</p> <p>Note: 2. When waiver of Leave Salary and Pension Contribution is not mentioned in the order, it shall be deemed to be recovered from the borrowing department.</p>
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4. These orders will come into force with immediate effect.
5. This order is available in the Internet and can be accessed at the address <http://www.aponline.gov.in> and <http://www.apfinance.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DR. D. SAMBASIVA RAO  
PRL. SECRETARY TO GOVERNMENT (FP)

To

All the Departments of Secretariat (10 copies each)  
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The Accountant General, AP., Hyd (by Name)  
The Pay & Accounts Officer, Hyd.  
The Secretary to Governor, A.P., Hyderabad.  
All Secretaries to Government.  
The Private Secretary to the Chief Minister and Private Secretaries to all Ministers.  
All the Heads of Departments (including Collectors and District Judges).  
The Registrar, High Court of Andhra Pradesh, Hyderabad (with Covering Letters)  
All the District Treasury Officers.  
The Secretary, Andhra Pradesh GENCO/TRANSCO]  
The General Manager, A.P., State Road Transport Corporation, Hyderabad (with covering letter).  
All District Educational Officer.  
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SECTION OFFICER

(ix) Leave Salary and Pension contribution:

(a) (i) While accepting the proposal of the deputation, the competent authority should include in the order of deputation a specific clause regarding the waiver of the recovery of Leave Salary and Pension contribution and shall mention the exceptional circumstances under which the competent authority feels that the waiver of recovery of Leave Salary and Pension contribution is warranted. If specific clause relating to waiver of Leave salary and Pension contribution is not mentioned in the deputation order, then such recovery is applicable as per the rates mentioned in FR. 116.

(ii) When the borrowing institutions are of central Govt./other State Govts./or the State Govt. Institutions in A.P. which receive funds from other sources such as world Bank/Central Govt. and the other institutions whose source of income is from other than Govt. of A.P./ and other institutions of A.P., like Universities/Local Bodies etc., who receive funds from Govt. of A.P. to some extent only and receive funds from other sources for the remaining extent, then such institutions shall pay Leave salary and pension contribution for borrowing Government servants. In other words Institutions which receive 100% of funds from Govt. of A.P. only are eligible for exemption of Leave salary and Pension contribution mentioned in G.O. Ms. No. 160, Fin. (FR.II) Dept., dt. 7-5-2010.

(B) At the end of clause (c) in the Revised Para 2 (ix) the following is to be added:

(d) "In every case where the recovery of Leave salary and Pension Contribution is necessary the same shall be effected at the following rates.

1) Leave salary Contribution:

11% of the pay drawn in Foreign Service

2) Rate of Pension contribution:

% of the maximum monthly Pay of the post held by the Govt. Servant in Government Service, at the time of proceeding on Foreign Service.

Note: 1. The appropriate rate applicable according to the table of the rates in Fundamental Rules 116 which are based on length of service should be specified.

Note: 2. When waiver of Leave Salary and Pension Contribution is not mentioned in the order, it shall be deemed to be recovered from the borrowing department.

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The Secretary to Governor, A.P., Hyderabad.

All Secretaries to Government.

The Private Secretary to the Chief Minister and Private Secretaries to all Ministers.

All the Heads of Departments (including Collectors and District Judges).

The Registrar, High Court of Andhra Pradesh, Hyderabad (with Covering Letters)

All the District Treasury Officers.

The Secretary, Andhra Pradesh GENCO/TRANSCO]

The General Manger, A.P., State Road Transport Corporation, Hyderabad (with covering letter).

All District Educational Officer.

All the District Development Officer.

All District Panchayat Officers.

All Secretaries of Zilla Grandhalaya Samsthas through Director of Public Libraries, Hyderabad.

All Secretaries of Agricultural Market Committees through Director of Marketting, A.P., Hyderabad.

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